VZCZCXRO1410
PP RUEHMA RUEHPA
DE RUEHUJA #1186/01 1801229
ZNR UUUUU ZZH
P 291229Z JUN 09
FM AMEMBASSY ABUJA
TO RUEHC/SECSTATE WASHDC PRIORITY 6429
INFO RUEHOS/AMCONSUL LAGOS 1573
RUEHJO/AMCONSUL JOHANNESBURG 0063
RUEHZK/ECOWAS COLLECTIVE
RHEBAAA/DEPT OF ENERGY WASHDC
RUEATRS/DEPT OF TREASURY WASHDC
RUCPDOC/DEPT OF COMMERCE WASHDC
RUEHRC/DEPT OF AGRICULTURE WASHDC

UNCLAS SECTION 01 OF 02 ABUJA 001186

SENSITIVE SIPDIS

DEPT PASS USAID AFR/SD FOR CURTIS, ATWOOD, AND SCHLAGENHAUF DEPT PASS USTDA-PAUL MARIN, EXIM-JRICHTER DEPT PASS TO USTR-AGAMA JOHANNESBURG FOR NAGY TREASURY FOR PETERS AND IERONIMO DOC FOR 3317/ITA/OA/BURRESS AND 3130/USFC/OIO/ANESA/REED

E.O. 12958: N/A

TAGS: ETRD ECON EINV ENRG EAGR EAID ELTN NI

SUBJECT: NIGERIA: GOVERNMENT AND PRIVATE SECTOR SEEK USTDA SUPPORT

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11. (U) Summary. During the June 7 - 13 visit of United States Trade and Development Agency (USTDA) Africa Business Development Manager Jason Nagy, Government of Nigeria (GON) officials and private sector representatives expressed keen interest in USTDA support. Despite tremendous market growth in information and communications technologies (ICT) in Nigeria, the country's poor network infrastructure has prevented operators from broadening their networks fast enough to satisfy the increasing number of subscribers and service demands. Nigeria is also looking to expand agricultural production and build its agribusiness sector. There are opportunities for USTDA support and American commercial sales in information and communications technology (ICT) and agribusiness. Septel reports on opportunities in the energy sector. End Summary.

Meeting with Nigerian Communications Commission

¶2. (SBU) On June 8, Jason Nagy of USTDA met with Funmi Akiode, Head Economic Policy and Business Development of the Nigerian Communications Commission (NCC) to discuss potential projects for USTDA grant funding consideration. USTDA is sponsoring an ICT Definitional Mission to explore project opportunities, which will likely visit Nigeria in August. Despite tremendous market growth in information and communications technologies (ICT) in Nigeria, the country's poor network infrastructure has prevented operators from broadening their networks fast enough to satisfy the increasing number of subscribers and service demands. Akiode said the industry is abuzz with a number of reverse auctions for telecom services. There are several fiber optic ring projects and operators rolling out services for state and local governments throughout the country. Akiode underscored emergency communications as one area that urgently needs policy and technical assistance to move forward, with Lagos State as the largest and most immediate implementer of emergency communications systems though 22 other states have begun the process of implementing the scheme. Akiode also suggested that the USTDA-sponsored ICT Definitional Mission contractor meet with state-owned telecommunications company, NITEL, to discuss applications to put the SAT-3 submarine cable to appropriate use. Akiode also suggested that USTDA might be able to help telecom operators who are looking to co-locate cell towers and collaborate better to share infrastructure. In a separate meeting on June 7, an independent ICT entrepreneur briefed Mr. Nagy on Nigerian e-Government efforts, including in business registration, power

holding company inventory and procurement, and the patenting system.

Meeting with Ministry of Commerce and Industry

13. (SBU) Nagy and Econ Counselor met with Ministry of Commerce and Industry (MCI) officials, including Mr. Linus Awute, the Permanent Secretary, on June 8. USTDA explained the agency's mission, provided a summary of its recent activities in Nigeria, and suggested areas of mutual interest may be in the areas of agribusiness and support for call centers. Awute and Trade Director Prince Abikoye described the GON "cluster" development approach, which seeks to use new energy sources, e.g. currently flared/stranded natural gas and anchor agri-business investors to spur industrial and agricultural production. The MCI officials took USTDA informational brochures and said they would send proposals for USTDA assistance.

Lagos Agriculture Program

14. (U) Nagy presented USTDA's program offerings at the Nigeria Agribusiness Workshop organized by the Mission in Lagos from June 9 to 10. During the course of the workshop, Nagy had the opportunity to have substantive one-on-one meetings with attendees and participating banks. A number of project developers expressed interest in USTDA grant funding toward early investment analysis or feasibility studies. These included a fruit processing project for Katsina State, a slaughtering and meat processing facility, and a shrimp farm, among others. Additional private sector meetings highlighted opportunities for USTDA and U.S. firms in gas grid infrastructure development, minerals development in Katsina State, and potential ICT projects.

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Comment

- 15. (U) There are various opportunities for USTDA collaboration with both the public and private sectors in Nigeria. Nigeria's desire to diversify its revenue base from oil and gas presents opportunities for U.S. engineering, equipment, and services. Septel reports on in-depth discussions with Minister of Petroleum and other senior officials responsible for oil and gas and current sector restructuring efforts. End comment.
- 16. (U) This cable was coordinated with Consulate Lagos.

SANDERS